



1801 Pennsylvania Avenue, NW
Washington, DC 20006

ORIGINAL

April 28, 1999

EX PARTE

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
The Portals
455 12th Street, S.W.
Washington, D.C. 20554

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APR 28 1999
FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Dear Ms. Salas:

CC Docket No. 96-128; NSD-L-98-147

On April 27, 1999, Larry Fenster, Dianne Moore, Bill Wilde, and I met with Robin Smolen, Kurt Schroeder, and Marty Schwimmer of the Common Carrier Bureau's Industry Analysis Division. We discussed recent claims by SBC that, with a few de minimis exceptions, it has fully implemented the requirements to provide payphone-specific coding digits. As shown in the attached document, which was distributed at the meeting, MCI WorldCom believes that SBC and other LECs have not fully implemented the FCC's requirements to provide IXCs with payphone-specific coding digits. Their failure to do so imposes significant administrative costs on MCI WorldCom. In addition, because some LECs are beginning to reassign to residential customers discontinued payphone lines more quickly than they provide us with lists to verify the identity of payphone calls, some of these customers could be incorrectly assessed a charge intended to recover the cost of payphone compensation. MCI WorldCom therefore urged the staff to act quickly to impose strict deadlines by which LECs must be fully compliant with the requirement to provide payphone-specific coding digits.

In accordance with section 1.1206(b)(2) of the Commission's rules, an original and three copies of this memoranda are being filed with your office.

Sincerely,

Lori Wright
Senior Manager, Regulatory Affairs

No. of Copies rec'd OTR
List A B C D E

cc: Robin Smolen
Kurt Schroeder
Marty Schwimmer

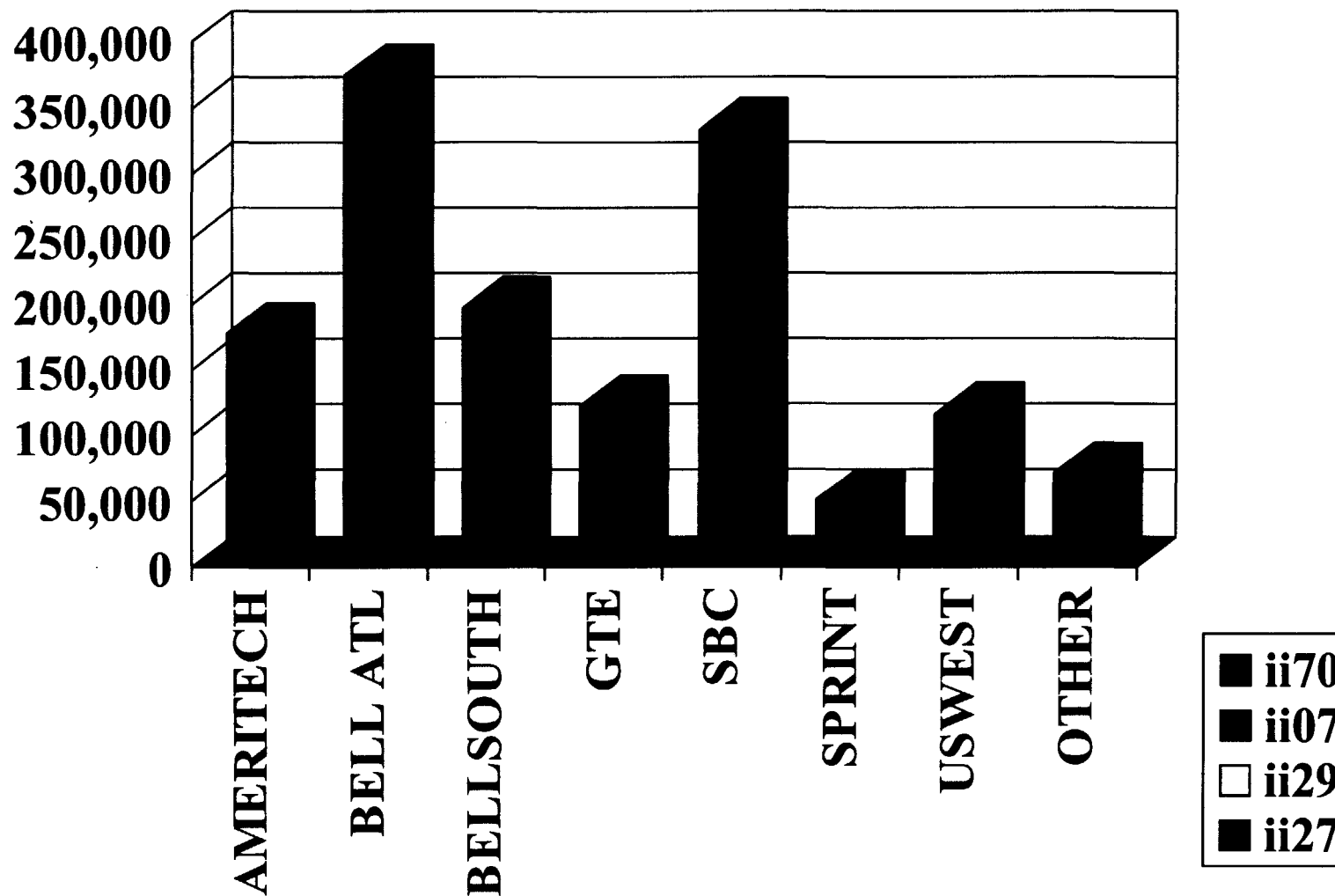
PAYPHONE CODING DIGITS STATUS REPORT

FLEX ANI PROGRESS

- MCI WorldCom ordered Flex ANI from all major LECs in 1998; all CICs, all EOs
- Significant progress has been made through 1Q99, but no LEC implementation is complete; 6-31% remain
- MCI WorldCom continues to track and pay on '07' infodigit payphones after 1/1/99; (systems and administrative expense)
- Lack of reliable payphone specific coding digits creates burden for MCI WorldCom and PSPs but not LECs
 - Over 600K non-payphone '07' ANIs are being tracked and processed
 - Surcharges cannot be accurately applied when based on quarterly lists of valid 07 payphones; consumer issues
 - If we stop tracking '07' calls, PSPs suffer loss of compensation; COCOT PSPs impacted more than LEC PSPs

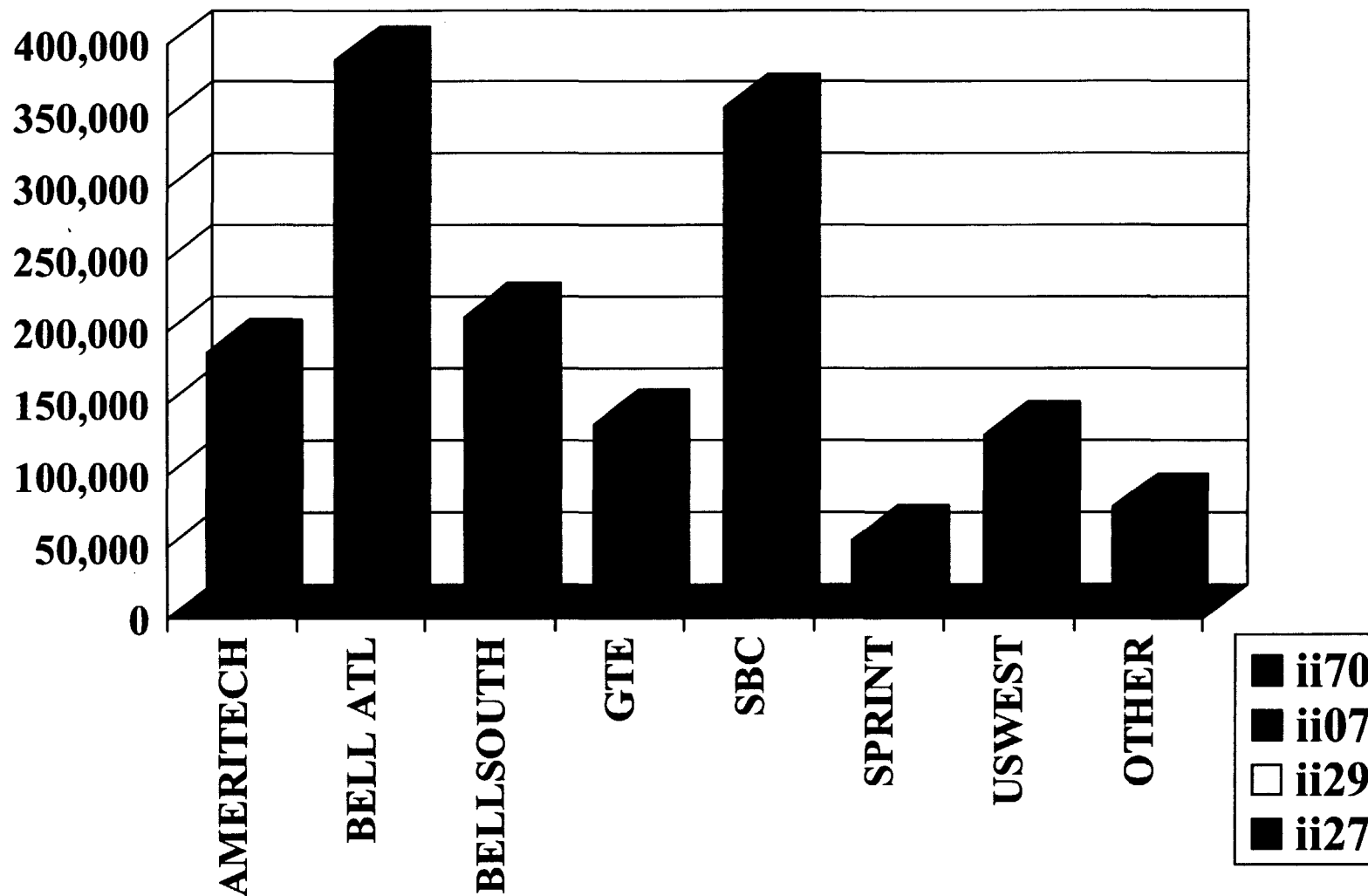
PAYPHONES BY INFODIGIT AS OF 6/98

388K Payphones (27%) Send ii07



PAYPHONES BY INFODIGIT AS OF 9/98

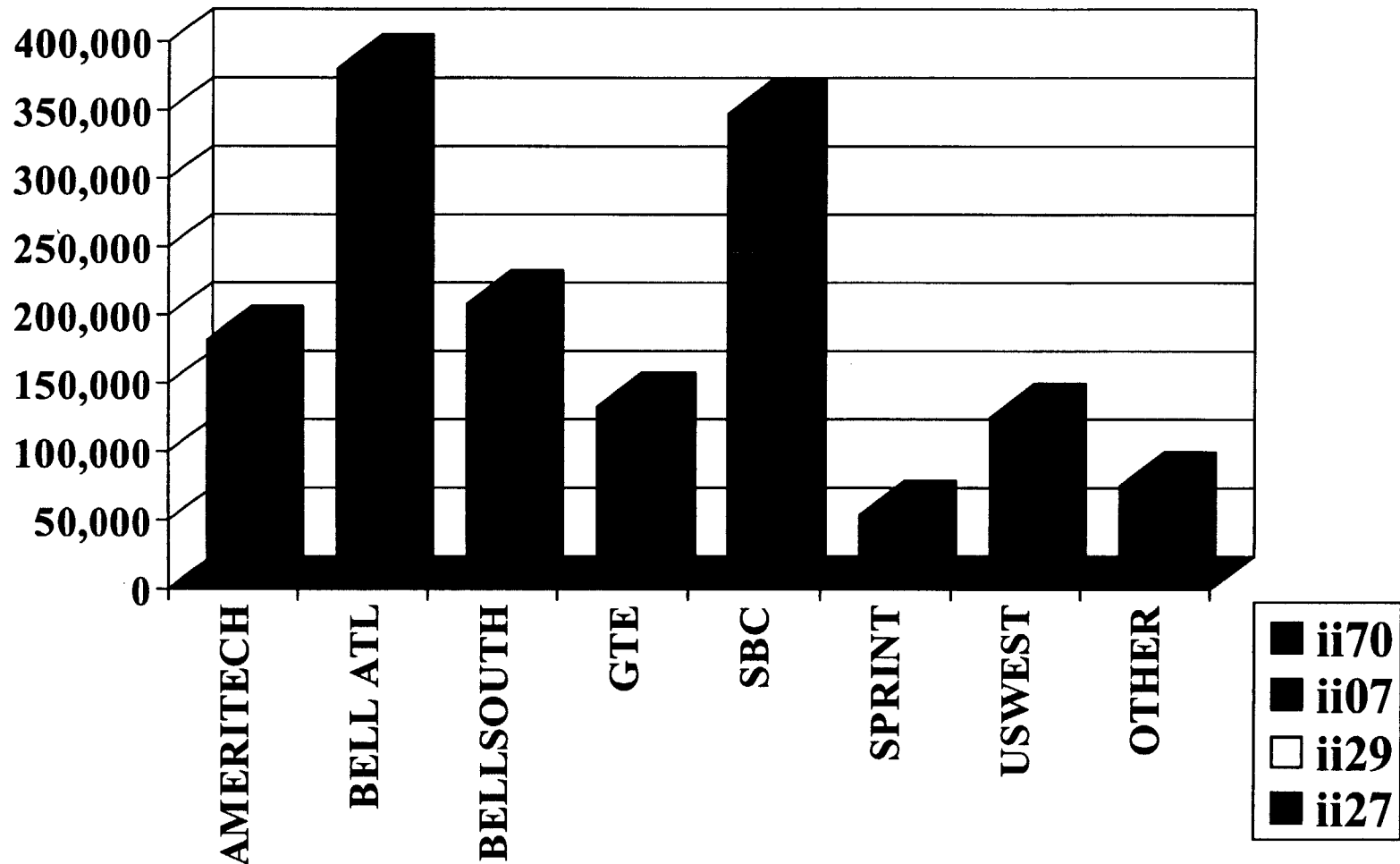
402K Payphones (26%) Still Send ii07



PAYPHONES BY INFODIGIT AS OF 12/98

FCC WAIVER EXPIRED

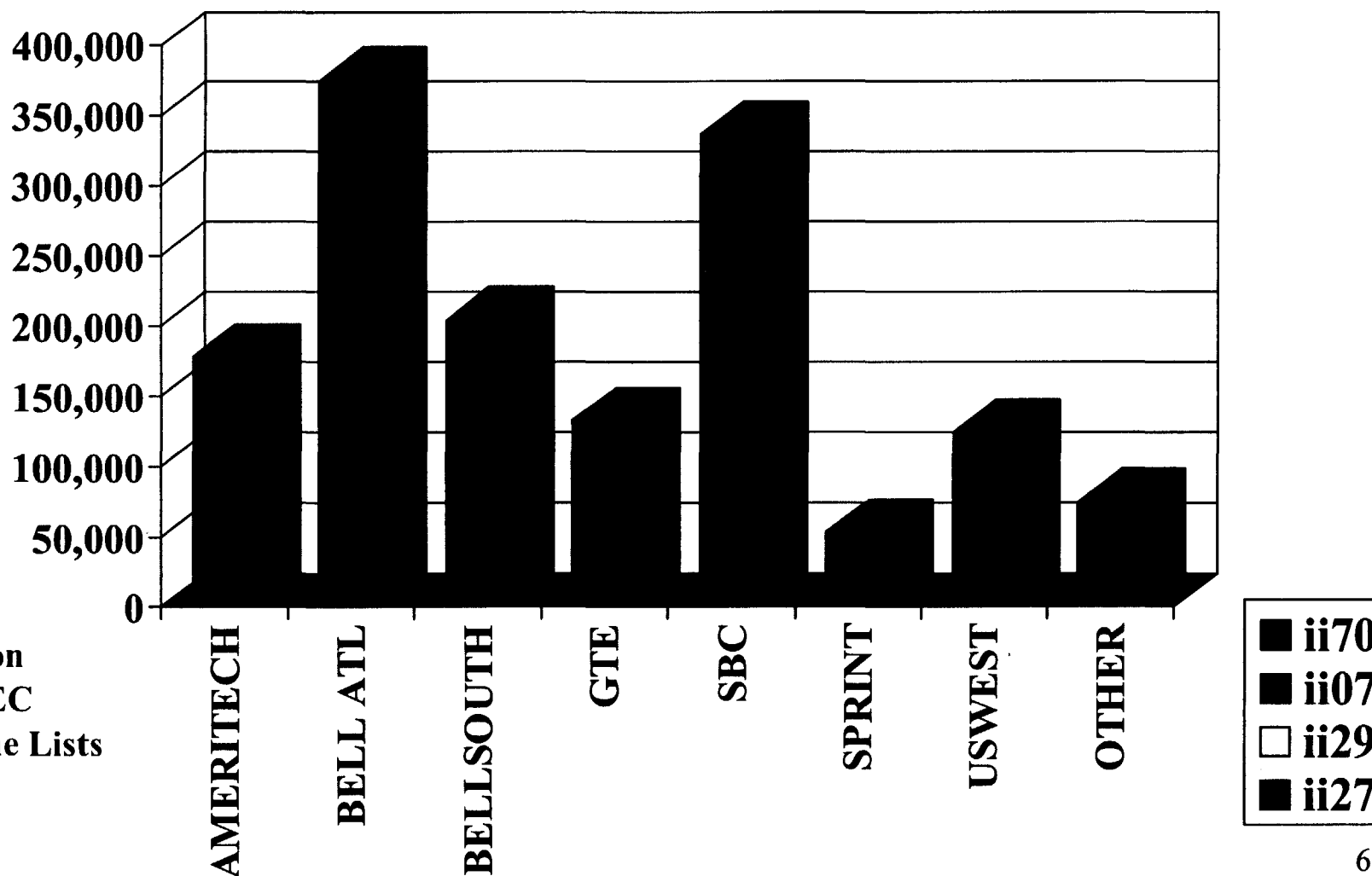
346K Payphones (23%) Sending ii07



PAYPHONES BY INFODIGIT AS OF 3/99*

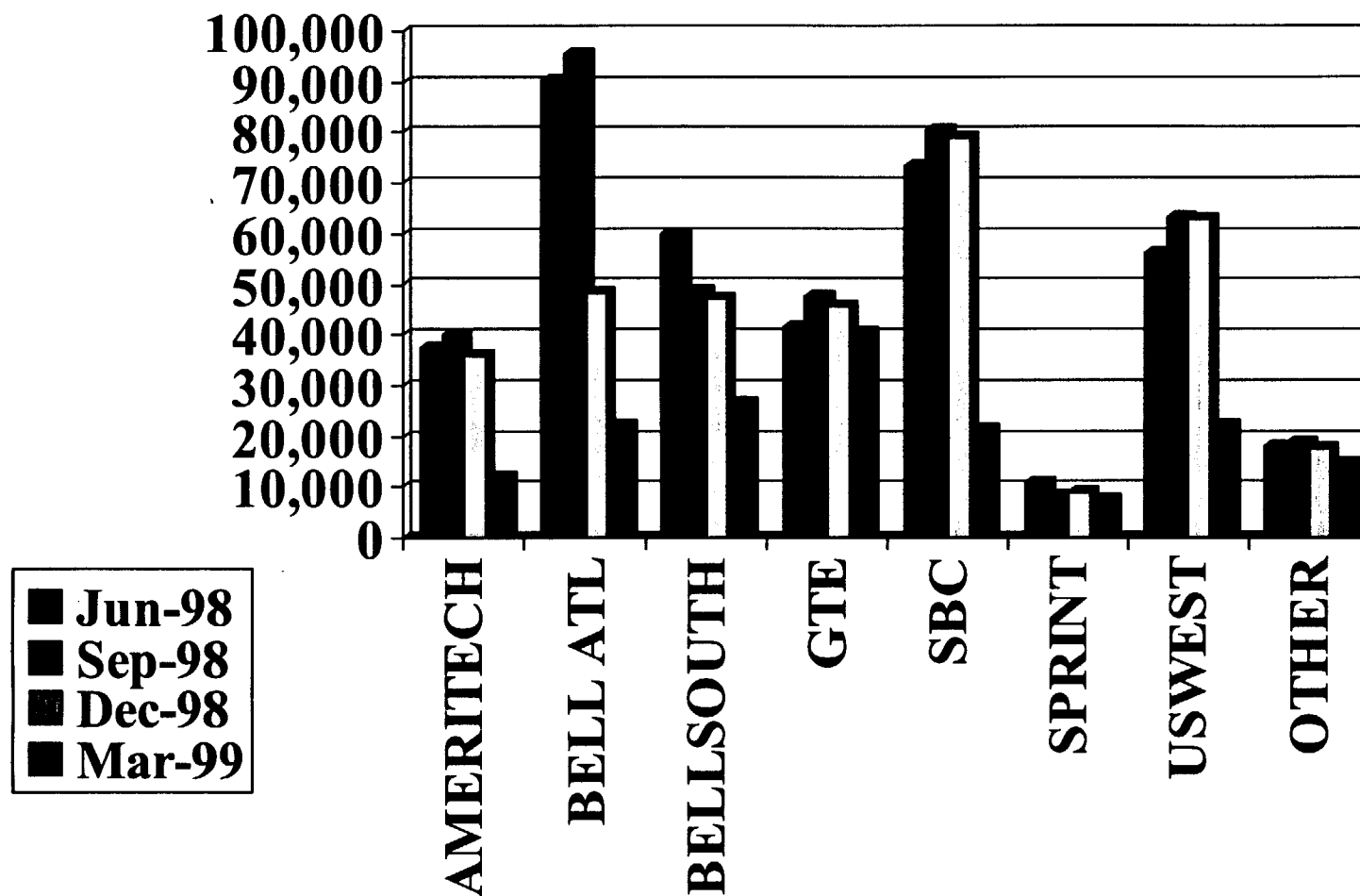
PROGRESS MADE BUT MORE IS NEEDED

166K Payphones (11%) Still Send ii07



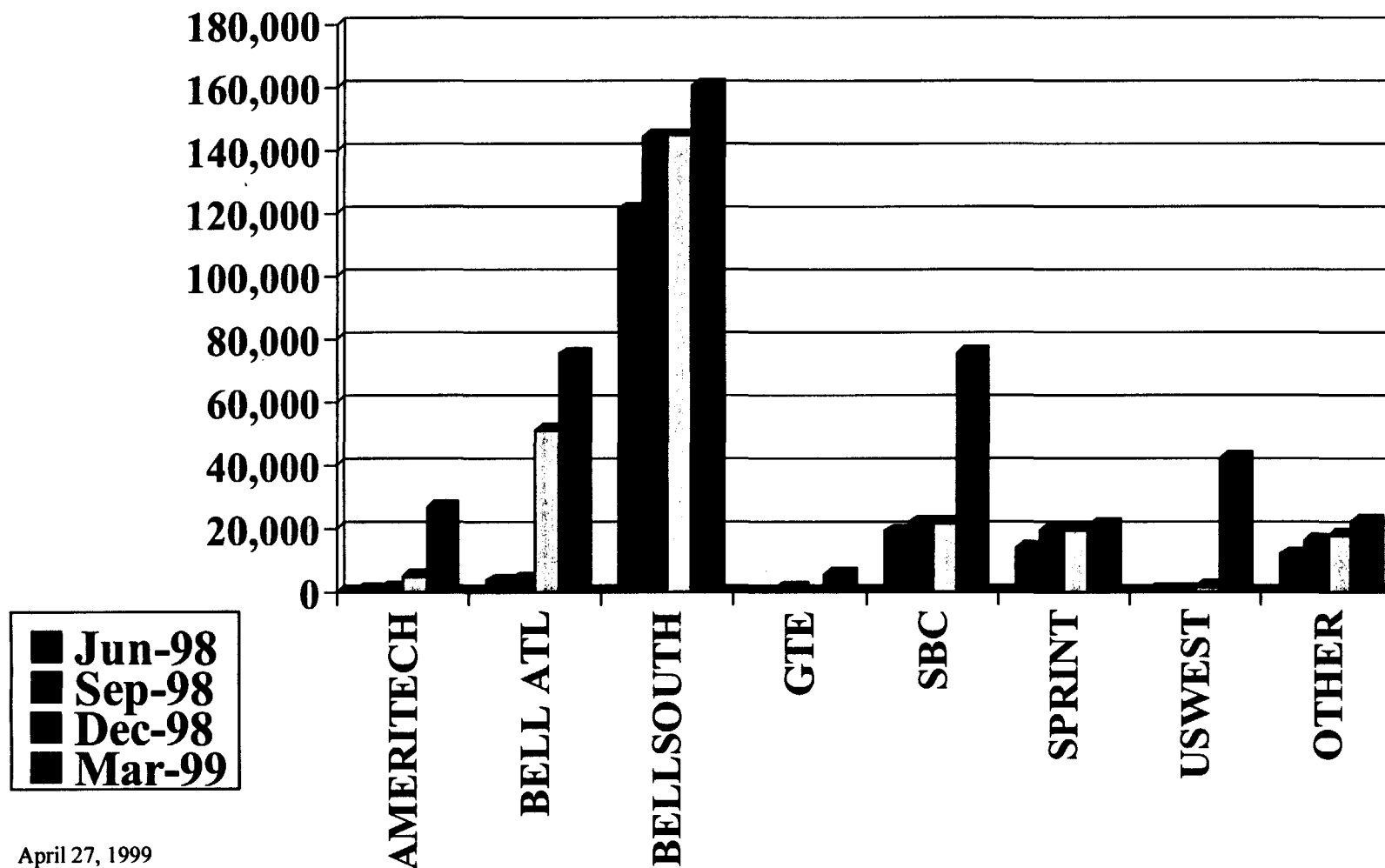
TRENDING OF '07' PAYPHONES

LECs Made Substantial Progress in 1999



TRENDING OF '70' PAYPHONES

Payphones with ii70 Increased from 170K in 2Q98 to 429K in 1Q99



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